



U.S. Department of Justice

*United States Attorney
Northern District of Illinois
Western Division*

*Michael D. Love
Assistant U.S. Attorney*

*308 West State Street - Room 300
Rockford, Illinois 61101*

*PH: (815) 987-4444
FAX: (815) 987-4236*

October 18, 2006

ROCKFORD WOMAN PLEADS GUILTY TO CONCEALING ASSETS IN BANKRUPTCY

ROCKFORD – PATRICK J. FITZGERALD, United States Attorney for the Northern District of Illinois, and ROBERT D. GRANT, Special Agent-In-Charge of the Chicago Office of the Federal Bureau of Investigation, today made the following announcement:

KATHY M. BARTELS, formerly known as Kathy M. Hoefer, 46 (DOB: 08/14/60), 1303 15th Avenue North #2, Rockford, Illinois, pleaded guilty today in federal court in Rockford to an information charging her with concealing property from the bankruptcy trustee, creditors, and the United States Trustee in connection with a bankruptcy proceeding.

In pleading guilty today, Bartels acknowledged that on April 11, 2003, she and her (then) husband filed a Chapter 7 Bankruptcy Petition, Schedules of Assets and Liabilities, and Statement of Financial Affairs in the United States Bankruptcy Court for the Northern District of Illinois, Western Division. According to the plea agreement, Bartels knew before she filed for bankruptcy that she would receive property as a result of her father's death. On April 28, 2003, Bartels personally deposited a distribution check for \$29,875 from her deceased father's estate into a bank account, but did not list any inheritance or trust interests in her bankruptcy documents as required. Further, when Bartels was questioned under oath by the Trustee on May 15, 2003, she denied that she expected to receive any inheritance within the following six months. On August 2, 2003, Bartels received a check in the amount of \$42,872.00 as life insurance proceeds payable as a result of her father's death which she deposited into another account. Bartels admitted that she intentionally withheld information concerning the two checks from the Trustee, knowing that she was required to disclose any inheritances she received within six months after she filed her bankruptcy petition.

Sentencing for Bartels will be conducted on February 1, 2007, at 11:30 a.m. Bartels faces a maximum sentence of up to five years of imprisonment, a fine of up to \$250,000, a period of supervised release of at least two and up to three years following imprisonment, in addition to restitution ordered by the court. Her actual sentence will be determined by the United States District Court, guided by the United States Sentencing Guidelines.

The case was investigated by the Rockford office of the Federal Bureau of Investigation, and is being prosecuted in federal court by Assistant United States Attorney Michael D. Love.

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